

**Appeal No: VA17/5/1053**

**AN BINSE LUACHÁLA  
VALUATION TRIBUNAL**

**NA hACHTANNA LUACHÁLA, 2001 - 2015  
VALUATION ACTS, 2001 - 2015**

**LIDL IRELAND GMBH**

**APPELLANT**

**AND**

**COMMISSIONER OF VALUATION**

**RESPONDENT**

**In relation to the valuation of**

Property No. 2198535, Industrial Uses at Local No/Map Ref: 1A/1 Lough Sheever Corporate Park, Robinstown (Levinge) (Pt. Of), Mullingar, County Westmeath.

**B E F O R E**

**Eoin McDermott – FSCSI, FRICS, ACI Arb**

**Deputy Chairperson**

**Donal Madigan – MRICS, MSCSI**

**Member**

**Caroline Murphy - BL**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 14<sup>TH</sup> DAY OF JANUARY, 2021**

**1. THE APPEAL**

1.1 By Notice of Appeal received on the 12<sup>th</sup> day of October, 2017 the Appellant appealed against the determination of the Respondent pursuant to which the net annual value ‘(the NAV’) of the above relevant Property was fixed in the sum of €1,789,000.

1.2 The sole ground of appeal as set out in the Notice of Appeal is that the determination of the valuation of the Property is not a determination that accords with that required to be achieved by section 19 (5) of the Act because : *“We are of the opinion that the valuation as set on the Final Valuation Certificate in relation to the subject property is excessive and not in accordance with the definition of Net Annual Value as per section 48 of the Valuation Act, 2001 as amended by the Valuation (Amendment) Act, 2015 and by reference to values as published in the Valuation List and other market evidence in accordance with Section 19(5) of same Acts.”*

1.3 The Appellant considers that the valuation of the Property ought to have been determined in the sum of €1,151,000.

## **2. REVALUATION HISTORY**

2.1 On the 12<sup>th</sup> day of January, 2017 a copy of a valuation certificate proposed to be issued under section 24(1) of the Valuation Act 2001 (“the Act”) in relation to the Property was sent to the Appellant indicating a valuation of €1,775,000.

2.2 Being dissatisfied with the valuation proposed, representations were made to the valuation manager in relation to the valuation. Following consideration of those representations, the valuation of the Property was increased to €1,789,000.

2.3 A Final Valuation Certificate issued on the 7<sup>th</sup> day of September, 2017 stating a valuation of €1,789,000.

2.4 The date by reference to which the value of the property, the subject of this appeal, was determined is the 30<sup>th</sup> day of October, 2015.

## **3. THE HEARING**

3.1 The Appeal proceeded by way of a remote hearing held on the 24<sup>th</sup> day of September, 2020. At the hearing the Appellant was represented by the Mr. John Algar B.Sc. (Surv), MRICS, MSCSI of GVA Donal O’ Buachalla (now Avison Young) and the Respondent was represented by Ms, Gillian Beale B.Sc. (Hons) Property Studies, MSCSI, MRICS of the Valuation Office.

3.2 In accordance with the Rules of the Tribunal, the parties had exchanged their respective reports and précis of evidence prior to the commencement of the hearing and submitted them to the Tribunal. At the oral hearing, each witness, having taken the oath, adopted his précis as his evidence-in-chief in addition to giving oral evidence.

3.3 At the commencement of the hearing Ms. Beale requested that certain comparisons cited by the Appellant be disregarded, on the grounds that they were located outside the Rating Authority area. The Tribunal declined the request and stated that the parties could proceed to

present their case in the usual manner and that the Tribunal would consider the evidence and issue a decision in due course.

#### **4. FACTS**

From the evidence adduced by the parties, the Tribunal finds the following facts:

4.1 The property is situated in a business park c. 2 Kms to the north of the town of Mullingar.

4.2 The property comprises a distribution centre, which was built in 2006, comprising warehouse, cold rooms, offices and a yard. The building is constructed to a high standard with eaves height in the warehouse section being 10 metres and the facility includes underfloor heating, dock levellers for ease of loading and a sprinkler installation.

4.3 The gross external floor areas and other factual items of the valuation have been agreed between the parties as follows:

<b>Level</b>	<b>Description</b>	<b>Area (Sq. M.)</b>
0	Warehouse (ambient)	31,490.10
0	Warehouse (freezer)	3,326.00
0	Warehouse (chiller)	4,227.00
0	Admin offices	387.15
1	Admin offices	559.97
1	Plant room	370.56
0	Yard (external)	540.00
	Dock levellers	98.00
	Tanks	1.00

Total GEA Floor area for Building: 40,360.78 Sq. M.

Total for Building and yard 40,900.78 Sq. M.

Dock Levellers #98

Tanks #1

4.4 The property occupies a site of c. 6 hectares.

4.5 The property is owner occupied by Lidl with a freehold title.

## 5. ISSUES

5.1 This is a quantum valuation case for the Westmeath County Council Revaluation. The Surveyors for the Appellant and Respondent disagree on the unit value rates per square metre to be applied to the various parts of the property and to the yard, but they are agreed on the values to be applied to the dock levellers and tanks.

## 6. RELEVANT STATUTORY PROVISIONS:

6.1 The net annual value of the Property has to be determined in accordance with the provisions of section 48 (1) of the Act which provides as follows:

“The value of a relevant property shall be determined under this Act by estimating the net annual value of the property and the amount so estimated to be the net annual value of the property shall, accordingly, be its value.”

6.2 Section 48(3) of the Act as amended by section 27 of the Valuation (Amendment) Act 2015 provides for the factors to be taken into account in calculating the net annual value:

“Subject to Section 50, for the purposes of this Act, “net annual value” means, in relation to a property, the rent for which, one year with another, the property might, in its actual state, be reasonably be expected to let from year to year, on the assumption that the probable annual cost of repairs, insurance and other expenses (if any) that would be necessary to maintain the property in that state, and all rates and other taxes in respect of the property, are borne by the tenant.”

## 7. APPELLANT’S CASE

7.1 Mr. John Algar, for the Appellant, contended for a valuation of € 1,164,000 which he calculated as follows:

Level	Use	m <sup>2</sup>	€ per m <sup>2</sup>	€
0	Warehouse (ambient)	31,490.10	@ 25.00 =	787,252.50
0	Warehouse (freezer)	3,326.00	@ 34.40 =	114,414.40
0	Warehouse (chiller)	4,227.00	@ 29.70 =	125,541.90
0	Admin Offices	559.97	@ 25.00 =	13,999.25

1	Admin Offices	387.15	@	25.00	=	9,678.75
1	Plant Room	370.56	@	25.00	=	9,264.00
0	Yard	540.00	@	2.50	=	1,350.00
	Dock levellers	# 98	@	1,000 each	=	98,000.00
	Tanks	# 1	@	4,472	=	4,472.00
						1,163,972.80
					Say, NAV	€ 1,164,000.00

7.2 In support of his valuation, Mr. Algar, for the Appellant, relied on sixteen comparable properties as set out in Section A of the Appendix to this Determination.

Redacted summaries are set out for each of these herewith:

**1. Property Number 2173355**

(Unit N, Forest Park, Mullingar)

This property comprises a warehouse and office unit of 7,651.74m<sup>2</sup> with 9-10m eaves height and is located c.3 Kms from the subject property, which is assessed at the NAV of € 153,000 that is calculated as follows:

Ground Floor Offices	712.08m <sup>2</sup>	@ € 20.00 per m <sup>2</sup>	=	14,241.60
Warehouse	6,939.66m <sup>2</sup>	@ € 20.00 per m <sup>2</sup>	=	138,793.20
				153,034.80 say, € 153,000

**2. Property Number 2179498**

(Unit O, Forest Park, Mullingar)

This property comprises a warehouse and office unit of 7,289.52m<sup>2</sup> with c.8m eaves height, dock levellers and is located c. 3 Kms from the subject property, which is assessed at the NAV of € 142,500 that is calculated as follows:

Ground Floor Offices	247.52m <sup>2</sup>	@ € 20.00 per m <sup>2</sup>	=	4,950.40
Warehouse	6,794.48m <sup>2</sup>	@ € 20.00 per m <sup>2</sup>	=	135,889.60
First Floor Store	247.52m <sup>2</sup>	@ € 1.00 per m <sup>2</sup>	=	247.52
Additional items				1,478.00
				142,565.52 € 142,500

### 3. Property Number **1447525**

(National Science Park, Mullingar)

This comprises a factory unit of 9,618.00 m<sup>2</sup> with c. 8m eaves height, dock levellers, and is located c.2.5 Kms from the subject property. It is assessed at the NAV of € 195,800 that is calculated as follows:

Ground Floor Factory	9,166.00m <sup>2</sup> @ € 20.00 per m <sup>2</sup> =	183,320.00
First Floor Factory	452.00m <sup>2</sup> @ € 20.00 per m <sup>2</sup> =	9,040.00
Additional items		3,496.00
		195,856.00 € 195,800

Respondent gives eaves height at 4.5m.

### 4. Property Number **1447509**

(Zone C, Mullingar Business Park)

This property comprises a unit of warehouse, offices, clean rooms etc of a total of 7,313.83m<sup>2</sup> which has eaves height of c, 8m , dock levellers and is located c. 3 Kms from the subject property. It is assessed at the NAV of € 207,000 which is calculated as follows:

Ground Floor Office	632.95m <sup>2</sup> @ € 25.00 per m <sup>2</sup> =	15,823.75
Warehouse	5,434.61m <sup>2</sup> @ € 25.00 per m <sup>2</sup> =	135,865.25
Clean rooms	292.98m <sup>2</sup> @ € 90.00 per m <sup>2</sup> =	26,368.20
Store	283.74m <sup>2</sup> @ € 25.00 per m <sup>2</sup> =	7,093.50
First Floor Office	632.95m <sup>2</sup> @ € 25.00 per m <sup>2</sup> =	15,823.75
Portacabin	36.60m <sup>2</sup> @ € 10.00 per m <sup>2</sup> =	366.00
Additional items		6,083.48
		207,423.93 say, € 207,000.

### 5. Property Number **2208167**

(Unit 41, Lough Sheever Corporate Park, Mullingar)

The property is adjacent to the subject property and comprises warehouse and offices of 2,732.38m<sup>2</sup> with eaves height of 7 metres. This is assessed at the NAV of € 54,600 which is calculated as follows:

Ground Floor Offices	130.00m <sup>2</sup> @ € 20.00 per m <sup>2</sup> =	2,600.00
Warehouse	2,472.38m <sup>2</sup> @ € 20.00 per m <sup>2</sup> =	49,447.60

First Floor Offices            130.00m<sup>2</sup> @ € 20.00 per m<sup>2</sup> = 2,600.00  
54,647.60 say, € 54,600

**6. Property Number 2187450**

(Unit 28 Lough Sheever Corporate Park Mullingar)

This property, also located adjacent to the subject property, comprises a warehouse and office unit with a total of 4,250.29m<sup>2</sup> with c. 8m eaves height, which is assessed at the NAV of € 85,000, that is calculated as follows:

Ground Floor Offices        265.10m<sup>2</sup> @ € 20.00 per m<sup>2</sup> = 5,302.00  
                          Warehouse 3,720.09m<sup>2</sup> @ € 20.00 per m<sup>2</sup> = 74,401.80  
 First Floor Offices            265.10m<sup>2</sup> @ € 20.00 per m<sup>2</sup> = 5,302.00  
85,005.80 say, € 85,000

**7. Property Number 2161186**

(Great Connell, Newbridge, Co. Kildare)

This property is located on the outskirts of Newbridge c. 3 Kms from the M7 motorway and c. 25 Kms from the M50 with 10 m eaves height. comprises warehouse, coldrooms and offices of 32,437.60m<sup>2</sup> plus canopy, yard and includes dock levellers. This is assessed at the NAV of € 1,500,000 which is calculated as follows:

Ground Floor Office        4,323.00m<sup>2</sup> @ € 40.00 per m<sup>2</sup> = 172,920.00  
                          Warehouse 21,975.20m<sup>2</sup> @ € 40.00 per m<sup>2</sup> = 879,008.00  
                          Cold rooms 5,551.40m<sup>2</sup> @ € 48.75 per m<sup>2</sup> = 270,630.75  
                          Canopy        155.00m<sup>2</sup> @ € 4.00 per m<sup>2</sup> = 620.00  
 First Floor    Plant room        588.00m<sup>2</sup> @ € 40.00 per m<sup>2</sup> = 23,520.00  
                          Yard            15,968.00m<sup>2</sup> @ € 4.00 per m<sup>2</sup> = 63,872.00  
                          Dock Levellers 90        @ € 1,000 each        90,000.00  
1,500,570.75 say, € 1,500,000.

**8. Property Number 1738074**

(Unit 9A, Cill Dara Industrial Estate, Newbridge, Co. Kildare)

The property is located in Newbridge and comprises a factory and offices of 7,003.00m<sup>2</sup> plus yard which is assessed at the NAV of € 308,000 that is calculated as follows:

Ground Floor Offices	162.00m <sup>2</sup> @ € 40.00 per m <sup>2</sup> =	6,480.00
Factory	5,615.00m <sup>2</sup> @ € 40.00 per m <sup>2</sup> =	224,600.00
First Floor Offices	1,226.00m <sup>2</sup> @ € 40.00 per m <sup>2</sup> =	49,040.00
Yard	1,863.00m <sup>2</sup> @ € 4.00 per m <sup>2</sup> =	7,452.00
Additional items		21,190.50
		308,762.50 say, € 308,000.

#### 9. Property Number **2198003**

(Toughers Business Park, Newbridge, Co. Kildare)

This property is located on the outskirts of Newbridge c. 2 Kms from the M7 motorway with 14m eaves height and dock levellers and comprises warehouse, offices of 48,747.15m<sup>2</sup> plus yard which is assessed at the NAV of € 1,848,000 that is calculated as follows:

Ground Floor Offices	20.00m <sup>2</sup> @ € 45.00 per m <sup>2</sup> =	900.00
Warehouse	31,800.00m <sup>2</sup> @ € 45.00 per m <sup>2</sup>	1,431,000.00
Store	309.89m <sup>2</sup> @ € 45.00 per m <sup>2</sup>	13,945.05
Offices	1,909.76m <sup>2</sup> @ € 45.00 per m <sup>2</sup>	85,939.20
Mezzanine Store	14,707.50m <sup>2</sup> @ € 9.00 per m <sup>2</sup> =	32,367.50
Dock levellers	62 @ € 1,000 each	62,000.00
Yard	26,075.00m <sup>2</sup> @ € 4.50 per m <sup>2</sup> =	117,337.50
Additional items		4,803.00
		1,848,292.25 say, € 1,848,000.

#### 10. Property Number **2175216**

(Unit T7, Toughers Business Park, Newbridge, Co. Kildare)

This property is located on the outskirts of Newbridge c. 2 Kms adjacent to Comparable No. 9 above and comprises warehouse and offices of 7,359.04m<sup>2</sup> which is assessed at the NAV of € 274,000 that is calculated as follows:

Ground Floor Offices	637.88m <sup>2</sup> @ € 40.00 per m <sup>2</sup> =	25,515.20
Warehouse	5,467.00m <sup>2</sup> @ € 40.00 per m <sup>2</sup>	218,680.00
Mezzanine Store	616.28m <sup>2</sup> @ € 8.00 per m <sup>2</sup> =	4,930.24
First Floor Offices	637.88m <sup>2</sup> @ € 40.00 per m <sup>2</sup> =	25,515.20
		274,640.64 say, € 274,000.



### 11. Property Number **2175120**

(Naas, Co. Kildare)

This property is located on the outskirts of Naas c. 0.5 Kms from the M7 motorway and comprises warehouse, cold rooms and offices of 39,095.04m<sup>2</sup> plus yard, dock levellers and eaves height of c. 10m which is assessed at the NAV of € 1,744,000 that is calculated as follows:

Ground Floor Offices	931.44m <sup>2</sup> @ € 40.00 per m <sup>2</sup>	=	37,257.60
Warehouse	30,013.00m <sup>2</sup> @ € 40.00 per m <sup>2</sup>		1,200,520.00
Cold Room	5,047.00m <sup>2</sup> @ € 49.50 per m <sup>2</sup>		249,826.50
Store	684.60m <sup>2</sup> @ € 40.00 per m <sup>2</sup>		27,384.00
Offices	2,419.00m <sup>2</sup> @ € 40.00 per m <sup>2</sup>		96,760.00
Dock levellers	60 @ € 1,000 each		60,000.00
Yard	3,000.00m <sup>2</sup> @ € 4.00 per m <sup>2</sup>	=	12,000.00
Truck Wash	1 @ € 3,000		3,000.00
Additional items			58,016.10
			1,744,764.20 say, € 1,744,000.

### 12. Property Number **2181574**

(Unit 3, Block E, M7 Business Park, Naas, Co. Kildare)

This is a standard industrial unit on the outskirts of Naas comprising warehouse and offices of 4,207.11m<sup>2</sup> plus a yard which is assessed at the NAV of € 184,000 that is calculated as follows:

Ground Floor Offices	479.53m <sup>2</sup> @ € 40.00 per m <sup>2</sup>	=	19,181.20
Warehouse	3,248.05m <sup>2</sup> @ € 40.00 per m <sup>2</sup>		129,922.00
First Floor Offices	479.53m <sup>2</sup> @ € 40.00 per m <sup>2</sup>	=	19,181.20
Yard	3,944.00m <sup>2</sup> @ € 4.00 per m <sup>2</sup>	=	15,776.00
			184,060.40 say, € 184,000.

### 13. Property Number **1709934**

(Kilcock, Co. Kildare)

This property is located c. 0.5 Kms from the M4 motorway and comprises warehouse and offices of 29,439.70m<sup>2</sup> with eaves height of 12-14m, dock levellers and a yard which is assessed at the NAV of

€ 1,411,000 that is calculated as follows:

Ground Floor Offices	644.70m <sup>2</sup> @ € 45.00 per m <sup>2</sup>	=	29,011.50
Warehouse	26,217.00m <sup>2</sup> @ € 45.00 per m <sup>2</sup>		1,179,765.00
Canopy	810.00m <sup>2</sup> @ € 6.75 per m <sup>2</sup>		5,467.50
Store	824.40m <sup>2</sup> @ € 45.00 per m <sup>2</sup>		37,098.00
Security	32.60m <sup>2</sup> @ € 45.00 per m <sup>2</sup>		1,467.00
<b>First Floor</b>			
Offices	392.10m <sup>2</sup> @ € 45.00 per m <sup>2</sup>		17,644.50
Store	518.90m <sup>2</sup> @ € 45.00 per m <sup>2</sup>		23,350.50
Dock levellers	76 @ € 1,000 each		76,000.00
Yard	8,140.00m <sup>2</sup> @ € 4.50 per m <sup>2</sup>	=	36,630.00
Additional items			5,173.40
			1,411,607.40 say, € 1,411,000.

#### 14. Property Number **2204353**

(Dowdstown, Maynooth, Co. Kildare.)

This is a standard industrial unit located c. 5 Kms from Comparable No. 13 just off the M4 motorway and comprises warehouse and offices of 1,785.99m<sup>2</sup> plus a yard, which is assessed at the NAV of

€ 63,900 that is calculated as follows:

Ground Floor Offices	262.64m <sup>2</sup> @ € 40.00 per m <sup>2</sup>	=	10,505.60
Warehouse	879.71m <sup>2</sup> @ € 40.00 per m <sup>2</sup>	=	35,188.40
Mezzanine Office	12.69m <sup>2</sup> @ € 16.00 per m <sup>2</sup>	=	203.04
Store	375.99m <sup>2</sup> @ € 8.00 per m <sup>2</sup>	=	3,007.92
First Floor Offices	254.96m <sup>2</sup> @ € 40.00 per m <sup>2</sup>	=	10,198.40
Yard	1,200.00m <sup>2</sup> @ € 4.00 per m <sup>2</sup>	=	4,800.00
			63,903.66 say, € 63,900.

### 15. Property Number **1556754**

(Portlaoise, Co. Laois)

This property comprises a postal mail distribution facility located in Portlaoise being a similar distance to the M50 as the subject property, comprising 11,160.50m<sup>2</sup> of buildings plus a yard, which is assessed at the NAV of € 183,600 that is calculated as follows:

Ground Floor Offices	1,020.00m <sup>2</sup> @ € 17.00 per m <sup>2</sup> =	17,340.00
Warehouse	8,595.50m <sup>2</sup> @ € 17.00 per m <sup>2</sup> =	146,123.50
Canopy	640.00m <sup>2</sup> @ € 2.55 per m <sup>2</sup> =	1,632.00
First Floor Office	905.00m <sup>2</sup> @ € 17.00 per m <sup>2</sup> =	15,385.00
Yard	1,650.00m <sup>2</sup> @ € 1.70 per m <sup>2</sup> =	2,805.00
Additional items		397.95
		183,683.45 say, NAV € 183,600.

### 16. Property Number **2186467**

(Distribution and Sorting Centre, Athlone, Co. Westmeath)

This property is located on the Dublin Road in Athlone and comprises a distribution and sorting centre containing a warehouse with 8m eaves height and a total of 5,889.62m<sup>2</sup> which is assessed at the NAV of € 117,700 that is calculated as follows:

Ground Floor Offices	378.62m <sup>2</sup> @ € 20.00 per m <sup>2</sup> =	7,572.40
Warehouse	4,641.00m <sup>2</sup> @ € 20.00 per m <sup>2</sup> =	92,820.00
First Floor Offices	435.00m <sup>2</sup> @ € 20.00 per m <sup>2</sup> =	8,700.00
Second Floor Offices	435.00m <sup>2</sup> @ € 20.00 per m <sup>2</sup> =	8,700.00
		117,792.40 say, € 117,700.

7.3 Mr. Algar explained that his approach to the valuation was dictated by the fact that the subject property was the only large-scale distribution warehouse facility exceeding 10,000 m<sup>2</sup> in Westmeath. He therefore considered it necessary to look at similar buildings in other rating authority areas to guide him in making an accurate assessment. In these other rating areas the same valuation date applies i.e. 30<sup>th</sup> October, 2015 thus making the comparison possible.

7.4 His valuation rationale is based on the premise that the value of industrial facilities is largely dictated by their location and distance from the Dublin area, especially Dublin port and the port Tunnel and the M50 motorway. The pattern of unit value rates applied to his larger comparables

range from € 40-45 per m<sup>2</sup> depending, mainly, on eaves height and the value of these facilities is in line with large industrial units in their particular region. Applying this argument, he submits that as the subject property is located c. 70 Kms from the M50 motorway, that it should be valued in line with the general level of values adopted for industrial units in the Mullingar area.

7.5 Mr. Algar developed his argument by noting that his comparisons Nos 1-6 and 16 showed that the NAVs of large-scale warehouses in Westmeath was generally €20 per m<sup>2</sup>, save for one property valued at €25 per m<sup>2</sup> which was a high tech manufacturing facility He noted that his comparisons Nos 7 to 15 demonstrated that the Respondent had valued similar properties in other rating areas in line with large industrial units in those areas. His opinion therefore was that the property should be valued at €25 per m<sup>2</sup> with further additions being made for specific issues.

7.6 In response to cross examination from the Respondent, Mr. Algar accepted that his comparisons 1-4 and 16 were all older properties than the subject, that comparisons Nos, 1, 3 and 4 had all been refurbished and that the refurbishment of comparison 3 had taken place after the valuation date. There was also some disagreement over eaves heights. The Respondent declined to put forward any cross examination on comparisons 7-15 as she did not believe that that the Tribunal should have regard to that evidence.

7.7 In response to a query from the Tribunal, Mr. Algar confirmed that his use of comparisons from outside the rating area was to demonstrate precedent as to how the Respondent had approached similar properties elsewhere rather than suggesting that the same valuation rate per m<sup>2</sup> be used.

## **8. RESPONDENT'S CASE**

8.1 Ms Gillian Beale, for the Respondent, contended for a valuation of € 1,770,000 which was a slight change to the original figure in her Precis (€ 1,789,000) because of an agreed change just prior to the hearing. The figure of € 1,789,000 is the current figure appearing in the Valuation List at the time of the hearing. Her revised valuation of € 1,770,000 has been represented here to remove a minus quantity and reformatted to enable ease of comparison with the Appellant Surveyor's computations, and is calculated as follows:

Level	Use	m <sup>2</sup>	€ per m <sup>2</sup>	€
0	Warehouse (ambient)	31,490.10	@ 40.00 =	1,259,604.00
0	Warehouse (freezer)	3,326.00	@ 49.40 =	164,304.40
0	Warehouse (chiller)	4,227.00	@ 44.70 =	188,946.90
0	Admin Offices	559.97	@ 40.00 =	22,398.80
1	Admin Offices	387.15	@ 40.00 =	15,486.00
1	Plant Room (Warehouse)	370.56	@ 40.00 =	14,822.40
0	Yard	540.00	@ 4.00 =	2,160.00
	Dock levellers	# 98	@ 1,000 each =	98,000.00
	Tanks	# 1	@ 4,472 =	4,472.00
				1,770,194.50
				Say, NAV € 1,770,000.

8.2 In support of her valuation, M/s Beale, for the Respondent, relied on seven comparable properties as set out in Section B of the Appendix to this Determination.

Redacted summaries are set out for each of these herewith:

Rental Comparisons

1. Property Number **redacted**

( Lough Sheever Corporate Park, Mullingar)

The property, which is located on the same business park as the subject property, comprises a unit of 444.16m<sup>2</sup> (with 6.5m eaves height) which was let on a 4 year and 9 months' lease from 1<sup>st</sup> September 2010 at the rent of € 22,000 p.a. equating to a net equivalent rent at the valuation date of € 20,061.60 which is analysed as follows:

Ground Floor Showroom 444.16m<sup>2</sup> @ € 45.16 per m<sup>2</sup>

This property is assessed at the NAV of € 15,980 which is calculated as follows:

Ground Floor Showroom 444.16m<sup>2</sup> @ € 35.98 per m<sup>2</sup>

2. Property Number **redacted**

( Robinstown Business Park, Mullingar)

This property is located a short distance to the East of the subject property and comprises a unit on ground and mezzanine levels of 214.96m<sup>2</sup> (with 5.4m eaves height) which was let on a

lease for a term of 4 years from 1<sup>st</sup> December 2015 at the rent of € 8,400 per annum reflecting a net equivalent rent of € 7,685 which analyses as follows:

Ground Floor	Warehouse	192.92m <sup>2</sup>	@ € 38.10 per m <sup>2</sup>	= 7,350.25
Mezzanine	Offices	22.04m <sup>2</sup>	@ € 15.20 per m <sup>2</sup>	= 335.08

This property is assessed at the NAV of € 7,060 which is calculated as follows:

Ground Floor	Warehouse	192.92m <sup>2</sup>	@ € 35.00 per m <sup>2</sup>	= 6,752.20
Mezzanine	Offices	22.04m <sup>2</sup>	@ € 14.00 per m <sup>2</sup>	= 308.56

### 3. Property Number **redacted**

(Lynn Industrial Estate (Mullingar Business Park) Mullingar)

This property is located to the south of the town centre and comprises a warehouse unit of 400.00m<sup>2</sup> (with 5.5m eaves height) which was let on a lease for a term of one year and ten months from 1<sup>st</sup> April 2016 at the rent of € 18,000 per annum reflecting a net equivalent rent of € 18,000 which analyses as follows:

Ground Floor	Warehouse	400.00m <sup>2</sup>	@ € 45.00 per m <sup>2</sup>	= 18,000
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This property is assessed at the NAV of € 12,000 which is calculated as follows:

Ground Floor	Warehouse	400.00m <sup>2</sup>	@ € 30.00 per m <sup>2</sup>	= 12,000
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### 4. Property Number **redacted**

(The Parkway, Mullingar Business Park)

This property is located close to No. 3 above and comprises a showroom, mezzanine stores and office with a total of 348.96m<sup>2</sup> and eaves height of 7.0m which was let on a 4 year 9 months lease from 1<sup>st</sup> September 2015 at the rent of € 17,100 p.a. reflecting a net equivalent rent of € 15,986 which is calculated as follows:

Ground Floor	Showroom	167.10m <sup>2</sup>	@ € 75.00 per m <sup>2</sup>	= 12,532.50
Mezzanine	Store	165.21m <sup>2</sup>	@ € 15.00 per m <sup>2</sup>	= 2,478.15
	Offices	16.65m <sup>2</sup>	@ € 15.00 per m <sup>2</sup>	= 249.75

This property is assessed at the NAV of € 8,540 which is calculated as follows:

Ground Floor Showroom	167.10m <sup>2</sup>	@ € 42.00 per m <sup>2</sup>	=	7,018.20
Mezzanine Store	165.21m <sup>2</sup>	@ € 8.40 per m <sup>2</sup>	=	1,387.76
Offices	16.65m <sup>2</sup>	@ € 8.40 per m <sup>2</sup>	=	139.86

NAV comparisons:

### 1. Property Number **5007886**

(Unit 5b, Lough Sheever Corporate Park, Mullingar)

This property, which is located close to the subject property, comprises a warehouse and office unit with a total of 370.88m<sup>2</sup> which is assessed at the NAV of € 11,120, that is calculated as follows:

Ground Floor Warehouse	325.83m <sup>2</sup>	@ € 30.00 per m <sup>2</sup>	=	9,774.90
Offices	45.05m <sup>2</sup>	@ € 30.00 per m <sup>2</sup>	=	1,351.50

### 2. Property Number **2192466**

(Unit 32c, Lough Sheever Corporate Park, Mullingar)

This property, which is also located close to the subject property, comprises a warehouse of 197.62m<sup>2</sup> is assessed at the NAV of € 6,910 which is calculated as follows:

Ground Floor Warehouse	197.62m <sup>2</sup>	@ € 35.00 per m <sup>2</sup>	=	6,916.70 say € 6,910.
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### 3. Property Number **1447525**

(National Science Park, Mullingar) \* common with Appellant see no. 3 on page one in Section A of this Appendix \*

This comprises a factory unit of 9,618.00m<sup>2</sup> with c. 4.5m eaves height, dock levellers, and is located c.2.5 Kms from the subject property. It is assessed at the NAV of € 195,800 that is calculated as follows:

Ground Floor Factory	9,166.00m <sup>2</sup>	@ € 20.00 per m <sup>2</sup>	=	183,320.00
First Floor Factory	452.00m <sup>2</sup>	@ € 20.00 per m <sup>2</sup>	=	9,040.00

Additional items

3,496.00

195,856.00 € 195,800

Appellant Surveyor gives eaves height of 8m in contrast to Respondent

8.3 In addition to her comparable evidence, M/s Beale stated at the outset of the hearing that she requested of the Tribunal that comparables relied upon by the Appellant that lie outside the Westmeath rating authority area should be disregarded.

8.4 M/s Beale said it was her understanding that the constructions cost of the facility was in the region of €22 million in 2006 and outlined the difficulty she had in obtaining information on construction costs for the property from the Appellant. This information would have assisted her in giving a further indication, though indirectly, of the value.

8.5 M/s Beale summarised by stating that this is a high-quality unit only 2Kms from the M4 on the outskirts of a major gateway town of population of 20,928 persons (2016 Census) which is served by a train line. The unit has good access and facilities for goods handling offering a vast size, with sprinklers and underfloor heating, on a spacious site of six hectares. She considered that her approach to the valuation using a base rate of € 40.00 per m<sup>2</sup> (warehouse and offices) is fair considering other units in the business park are valued at unit rates of € 35 & € 20 per m<sup>2</sup> by comparison. She had allowed additions of € 9.40 per m<sup>2</sup> for the freezer cold room and €4.70 per m<sup>2</sup> for the chiller cold room. These are absolute addition amounts rather than percentage rates of the base value.

8.6 In response to queries from the appellant, Ms. Beale accepted that construction costs had only been sought since the valuation had been listed for appeal. She did not accept that €22 million was the final construction cost, stating that more had been spent on the property since then and that in any event the property was not being valued on the Contractors method. She accepted that her Key Rental Transactions were all significantly smaller than the subject but explained that the Respondent had considered a basket of rents in arriving at its opinion. When asked why she had not included Appellants comparison No. 5, a facility of 2,732 m<sup>2</sup> located in the same industrial park as the subject as a comparison but had included two substantially smaller units from the same park as her NAV comparisons 5 and 6, she said that she had used what she considered to be relevant comparisons. She ascribed the difference in the NAVs per



m<sup>2</sup> between Appellants comparison no. 5 (€20 per m<sup>2</sup> ) and her comparisons 1 and 2 (€30 and €35 per m<sup>2</sup>) to quantum, but did not accept that quantum applied to the subject property, saying that the subject was unique.

## **9. SUBMISSIONS**

9.1 There were no legal submissions in this case.

## **10. FINDINGS AND CONCLUSIONS**

10.1 On this appeal the Tribunal has to determine the value of the Property so as to achieve, insofar as is reasonably practical, a valuation that is correct and equitable so that the valuation of the Property as determined by the Tribunal is relative to the value of other comparable properties on the valuation list in the rating authority area of Westmeath County Council.

10.2 The Tribunal has examined the particulars of the Property and considered the written and oral evidence adduced by Mr. Algar who contended for a revised valuation of €1,164,000 and that adduced by Ms. Beale who put forward an adjusted valuation of € 1,770,000.

10.3 The Tribunal finds that in this appeal, and in all appeals before the Tribunal, the onus of proof in appeals rests with the Appellant. This has been stated and affirmed on multiple occasions and remains the guiding principle for the Tribunal's determination. The Tribunal is aware of the difficulties faced by the parties in sourcing suitable comparative evidence for the subject property given its unique nature in the rating area. Mr. Algar confirmed that his use of comparisons from outside the rating area was to demonstrate precedent as to how, in his opinion, the Respondent had approached similar properties elsewhere, rather than suggesting that the same valuation rate per m<sup>2</sup> be used in this appeal. In this regard, the Tribunal notes the argument put forward by Mr. Algar that the treatment of similar properties in other rating areas was similar to the treatment of other large-scale warehouse buildings within those rating areas as at the valuation date.

10.4 The Tribunal notes the Appellant did not provide any rental comparisons. The Tribunal notes the 4 rental comparisons relied upon by the Respondent were all significantly smaller than the subject property and were not of great assistance. However, the dearth of rental evidence requires the Tribunal to also consider the values of comparable properties on the

valuation list in order to form a view as to what rent might reasonably be expected so as to ensure that the value of the Property is relative to the value of those other properties.

The Tribunal notes that Mr. Algar states that the subject property should be valued in line with the six NAV comparisons in Mullingar and that Ms. Beale relies upon three NAV comparisons in Mullingar within the rating authority of Westmeath County Council.

The Tribunal notes the valuation evidence put forward by Mr. Algar showing that the NAVs of large-scale warehouses in Westmeath was generally €20 per m<sup>2</sup>, save for one property valued at €25 per m<sup>2</sup> and accordingly Mr. Algar valued the warehouse element of the subject at €25 per m<sup>2</sup>. However, Ms. Beale was able to show that a number of these comparisons were significantly older than the subject, with lower eaves heights and had been, or were about to be, refurbished.

10.5 The Tribunal has considered the valuation evidence put forward by Ms. Beale. It is noticeable that, with one exception (Comparison No. 3, which is the same as Appellants comparison 3), none of the comparisons are larger than 450 m<sup>2</sup>. The Tribunal is of the opinion that little weight can be attached to these comparisons due to the obvious size differential between these properties and the subject.

10.6 The Tribunal finds that the best evidence available is to be found in Appellants comparisons 5 and 6. These are units located in the same scheme as the subject property and of significant size (although substantially smaller than the subject). The units are valued at €20 per m<sup>2</sup>. Mr. Algar accepts that the subject property is of superior specification and eaves height and has suggested a valuation of €25 per m<sup>2</sup> for the subject property. The Tribunal does not accept that this fairly reflects the superiority of the subject.

10.7 Taking account of the high-quality specification of the subject property, from the evidence the Tribunal considers that the base value rate that should be applied to the warehouse and offices, reflecting the tone of assessments in the locality, is € 30.00 per m<sup>2</sup>. The Surveyors are agreed on the additional values attributable to the specialist cold rooms, being fixed amounts of € 9.40 per m<sup>2</sup> for the freezer and € 4.70 per m<sup>2</sup> for the chiller. The yard is taken at one tenth of the rate applicable to the warehouse. The unit values for the dock levellers and tanks are agreed.

**DETERMINATION:**

Accordingly, for the above reasons the Tribunal determines that the valuation of the subject property is € 1,366,000 which is calculated as follows:

<b>Level</b>	<b>Description</b>	<b>Area (Sq. M.)</b>	<b>NAV per Sq. M.</b>	<b>NAV</b>
0	Warehouse (ambient)	31,490.10	€30.00	€944,703.00
0	Warehouse (freezer)	3,326.00	€39.40	€131,044.40
0	Warehouse (chiller)	4,227.00	€34.70	€146,676.90
0	Admin offices	387.15	€30.00	€11,614.50
1	Admin offices	559.97	€30.00	€16,799.10
1	Plant room	370.56	€30.00	€11,116.80
0	Yard	540.00	€3.00	€1,620.00
	Dock levellers	98.00	€1,000.00	€98,000.00
	Tanks	1.00	€4,472.00	<u>€4,472.00</u>
				€1,366,046.70
	<b>say</b>			<b>€1,366,000.00</b>

And the Tribunal so determines.